Irregularities in Bank of India

6936. SHRI BHUFRAN AZAM: Will the Minister of FINANCE be pleased to state:

(a) whether the Bank of India at its Head Office has taken a decision in principle to wipe out the grievances in general from its customers by improving services of the bank;

(b) whether the Bank's Head Office has also received large number of complaints from various constituents about various irregularities committed by several branches of the bank located in different towns and cities during the past one year;

(c) whether in some cases the bank had withheld the customers A/cs merely on suspicion for over three to four years and later released the same;

(d) whether demages have been claimed by such account holders;

(e) whether action has taken by the bank at its Head Office to clear the demages suffered by such account holders of the bank; and

(f) if so, the facts and details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY: (a) Bank of India have reported that they have a well set grievances redressal machinery. Customer complaints are settled within 21 to 23 days on an average. The position of pendency of complaints is reviewed at every quarterly meeting of Customer Service Committee headed by the Chairman and Managing Director.

(b) According to the Bank, for the period ended 31st March 1995 its Head Office has received 1310 complaints against branches spread over the country. The flow of complaints has decreased during the period 1994-95 in comparison to previous two years.

(c) No cases have been reported to the bank by its constituents regarding withholding of balances in the accounts merely on suspicion. However, bank branches generally withhold the balances in the accounts in cases like pending submission of claims in deceased accounts, where there are litigations, disputes among the parties, suspected frauds, misappropriation and Court Orders/ injunctions etc.

(d) No claims for damages have been received by the bank which are noteworthy of reporting.

(e) and (f) As and when matters are reported to Head Office by controlling offices, decisions are expeditiously taken at the appropriate level.

Meeting of Board of Governors of Asian Development Bank

6937. SHRI RAMDAS AGARWAL: Will the Minister of FINANCE be pleased to state:

(a) whether at the 28th Annual Meeting of the Board of Government of the ADB (Asian Development Bank) held recently at Auckland, India's representative called upon the Bank to reshape its policies to the changing trends and development priorities and for a balanced portfolios;

(b) if so, the details thereof indicating landing levels of the Bank to India for the last three years till date; and

(c) whether any consensus evolved at Auckland meeting on the future role of the Asian Development Bank?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY: (a) Yes, Sir.

(b) While emphasising the need for consensus on the future role of ADB, the Governor-ad-interim representing India at the 28th Annual Meeting of the Bank in Auckland, suggested that such a role would need to be based on the following preceptions:—

(i) Continued need for multilateral intermediations for long term stable flows to sustain Asia's Development process.

(ii) Relevance of multilateral flows in the area of infrastructure investment.